

Message Text

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R 010130Z MAY 74

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 2854

INFO AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY PARIS

AMEMBASSY PHNOM PENH

AMEMBASSY RANGOON UNN

AMEMBASSY SAIGON

AMEMBASSY SEOUL

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

USLO PEKING

AMCONSUL HONG KONG

AMCONSUL CHIANG MAI

AMCONSUL UDORN

AMCONSUL SONGKHLA UNN

USSAG NKP

13TH ADVON UDORN

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LIMDIS

CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: PFOR, PINT, TH

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SUBJECT: QUARTERLY ANALYSIS OF DEVELOPMENTS AND TRENDS IN THAILAND,

FEBRUARY-APRIL 1974

REF: A. BANGKOK 1667; B. BANGKOK A-37

SUMMARY: THE BANGKOK PUBLIC TURNED THEIR IRE FROM FOREIGN TO DOMESTIC TARGETS DURING THE CURRENT QUARTER AND EXPANDED THEIR VERBAL BRICKBATS MORE ON ECONOMIC THAN ON POLITICAL ISSUES. THERE WERE NO HISTORICALS AS SANYA'S ORIGINAL CONSTITUTION PROMULGATION DEADLINE SLIPPED BY. THE NATIONAL ASSEMBLY CONTINUES TO PONDER THE DRAFT, AND JULY SEEMS THE EARLIEST ESTIMATE FOR THE EMERGENCE OF THE CONSTITUTION. COUP RUMORS, WITH THE HELP OF SOME OMINOUS ASTROLOGERS, REACHED A PEAK DURING MID-APRIL. AS EACH DAY CAME AND WENT WITH NOTHING MORE SERIOUS THAN A HEAVY RAIN, WE CONGRATULATED OURSELVES THAT WE COULD CONTINUE TO STAND BY OUR PREDICTION THAT SANYA WILL LAST UNTIL THE APPEARANCE LATE THIS YEAR OR EARLY NEXT OF AN ELECTED SUCCESSOR REGIME. THAILAND CONTINUED ITS SLOW THAW WITH CHINA, AND GAVE A SURPRISE WELCOME TO A NORTH KOREAN TRADE DELEGATION AT THE END OF APRIL. THE RTG SWITCHED ITS EMPHASIS IN BILATERAL RELATIONS WITH THE U.S. FROM MILITARY AID TO ECONOMIC COOPERATION. THE ANNOUNCED DRAWDOWN OF 10,000 U.S. MILITARY SPACES OVER THE REST OF OF THE YEAR WILL HELP DEFUSE SOME OF THE EXPECTED ELECTIONEERING ON THIS ISSUE. END SUMMARY.

A. CURRENT DEVELOPMENTS AND TRENDS

1. AMERICANS WATCHING THAILAND FROM FEBRUARY THROUGH APRIL 1974 WOULD JUDGE THAT THE THAI HAVE MUTED THE XENOPHOBIA THEY EXHIBITED AT THE BEGINNING OF THE YEAR, AND VEERED INWARD. THERE WERE NO MORE BANGKOK DEMONSTRATIONS COMPARABLE TO THOSE MOUNTED AGAINST THE JAPANESE PREMIER AND THE CIA. ALTHOUGH WE HAVE NOT ESCAPED AN OCCASIONAL SINGE ON ISSUES LIKE THE POTENTIAL USE OF U.S.-TENANTED THAI BASES TO FURTHER A STRONGER NAVAL PRESENCE IN THE INDIAN OCEAN, PUBLIC PROTEST IN THAILAND HAS MORE RECENTLY CENTERED ON AN ARTIFICIAL RICE SHORTAGE, THE PRICE OF FUEL, AND A COUNTERINSURGENCY OPERATION AGAINST A NORTHEASTERN HAMLET THAT SEEMED MORE VENDETTA THAN VICTORY.

2. THE ECONOMY IS BY FAR THE SALIENT THEME. AS THE ECONOMIC SHOE HAS PINCHED TIGHTER, URBAN-RURAL COMPETITION FOR FAVORED TREATMENT HAS INCREASED. THE FARMERS' INTEREST IN HIGHER PADDY PRICES CONFLICTS

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WITH THE CITY DWELLERS' DEMANDS FOR CHEAP RICE. THOUGH THE FARMERS HAVE A LONG WAY TO GO ORGANIZATIONALLY, A DELEGATION OF COMPARATIVELY WELL-TO-DO FARMERS CAME FROM ONE PROVINCE TO BANGKOK IN EARLY MARCH TO PETITION THE PRIME MINISTER FOR HIGHER PADDY PRICES. IF REPRESENTATIONAL GOVERNMENT TAKES ROOT, THIS URBAN-RURAL TUG OF WAR CAN ONLY INTENSIFY.

3. DESPITE FLOURISHING EXPORTS THAT ENABLED THE RTG TO MAINTAIN A

COMFORTABLE FOREIGN EXCHANGE BALANCE, LARGELY EXTERNAL FACTORS SUCH AS SKY-ROCKETING FUEL COSTS AND WORLDWIDE PRICE INCREASES HAVE STIMULATED URBAN INFLATION THAT IN 1973 REACHED NEARLY 16 PERCENT VERSUS ONLY APPROXIMATELY 5 PERCENT THE PREVIOUS YEAR, AND ONLY 2 PERCENT A YEAR THROUGH THE DECADE ENDING IN 1971. WHILE THOSE RATES ARE MODEST IN COMPARISON WITH OTHER SOUTHEAST ASIAN COUNTRIES, THE THAI FIND THEM DEEPLY DISTURBING. FEW THAI HAVE DOURNEYED TO PHNOM PENH OR SAIGON AND WITNESSED THE SHOLESale EROSION OF SAVINGS, AND THE ECONOMIC, LET ALONG EHT MILITARY, FIGHT TO KEEP GOING THERE. THE MAJORITY OF THE BANGKOK POPULATION THUS TENDS TO BLAME THE SANYA GOVERNMENT FOR WHAT ARE REALLY A TIDE OF INESCAPABLE INTERNATIONAL ILLS. MANY THI PINE FOR A RETURN TO THE DAYS OF AUTHORITARIAN AND PATERNALISTIC MILITARY RULE WITHOUT REALIZING THAT, EVEN IF THE NOW REVERED MARSHAL SARIT THANARAT WERE TO RISE FROM THE DEAD, THE PROBLEMS WOULD PERSIST.

4. SUBORDINATE MILITARY OFFICERS ARE PROMINENT AMONG THOSE WHO LONG FOR THE RESTORATION. THE SENIOR MILITARY LEADERSHIP APPARENTLY PREFERS TO WAIT UNTIL CIVILIANS CONCLUSIVELY PROVE THEMSELVES INEPT AT RUNNING THE GOVERNMENT. THERE WAS SOME CONCERN IN MID-APRIL, HOWEVER, THAT THE SENIOR OFFICERS WOULD PRE-EMPT THEIR IMMEDIATE UNDERLINGS IN ASSERTING A STRONGER MILITARY ROLE IN THE GOVERNMENT SO AS TO MAINTAIN THEIR OWN COMMAND AUTHORITY. WHILE THIS CRISIS, ALONS WITH A RUMORED CABINET RESHUFFLE, SEEMS TO HAVE PASSED, APPARENTLY WITH THE KING PLAYING A DISCREET CAUTIONARY ROLE, SUCH TURBULENCE COULD RECUR.

5. PRIME MINISTER SANYA THAMMASAK'S APRIL 15 DEADLINE FOR CREATION OF A CONSTITUTION SLIPPED BY WITH MINIMAL ANGUISH ON THE PART OF EVERYONE EXCEPT SANYA AND MOST OF HIS MINISTERS WHO ARE SO ARDENT FOR THEIR OWN RETIREMENT. THE NATIONAL LEGISLATIVE ASSEMBLY (NLA) NEVERTHELESS PASSED THE FIRST READING OF THE CONSTITUTION. THE DRAFT IS NOW IN COMMITTEE, AND TWO MORE READINGS REMAIN BEFORE A REVISED VER-

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SION IS PROMULGATED, OPTIMISTICALLY BY LATE JULY. THE DELAY AND THE SCRUTINY OF THE CONSTITUTION SHOULD HAVE THE SIDE BENEFITS OF PRODUCING A DOCUMENT MORE DURABLE THAN ITS EIGHT PREDECESSORS, AS WELL AS ALLOWING POLITICAL GROUPINGS TO GROPE THEIR WAY INTO BECOMING PARTIES.

6. THE ADULTERATION IN THE CABINET OF THE INITIAL DRAFT OF THE POLITICAL PARTIES BILL, WHICH THE NLA LATER PASSED IN FIRSTREADING, FORECASTS A PLETHORA OF PARTIES, PERHAPS AS MANY AS 20, ON THE MODEL OF THE 1969-71 LEGISLATURE. WHILE MOST THAI WITH WHOM WE HAVE TALKED BELIEVE THAT ONLY THREE OR FOUR PARTIES WILL EMERGE IN ANY STRENGTH, THEY PREFER TO LET THE WEAKER ONES DIE OUT IN THE PROCESS OF NATURAL SELECTION RATHER THAN BAR THEM FROM THE START. THE EMERGING POLITICAL STRUCTURE PRESENTS MANY QUANDRIES. THERE IS NO INDICATION THAT THE THAI PLAN TO ORGANIZE AROUND PARTY PLATFORMS. RATHER THEY SEEM TO BE

REPEATING THE HISTORICAL PATTERN SINCE THE 30'S OF FORMING LOOSE
COALITIONS BASED ON PROMINENT PERSONALITIES. MEMBERS OF PARLIAMENT,
IF THEY OWE THEIR ELECTION NOT TO A PARTY BUT TO THEIR OWN DRAWING
POWER AND POLITICAL SKILLS, WILL BE FREE TO PURSUE PAROCHIAL GOALS.
IDEOLOGICAL CONSISTENCY WILL NOT BE COMMON. ESTIMATES ON THE TIMING
OF THE ELECTIONS NOW RUN FROM OCTOBER THROUGH FEBRUARY. SANYA'S OR-
IGINAL HOPES TO BE OUT OF OFFICE BY JULY 15 HAVE ALREADY FADED.

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7. IRONICALLY, SANYA'S ACHIEVEMENTS DURING HIS SCANT SIX MONTHS IN OFFICE HAVE FAILED TO WIN EFFECTIVE PUBLICITY. IN LARGE MEASURE,
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THIS SITUATION RESULTS FROM THE LOW JOURNALISTIC STANDARDS OF THE THAI PRESS WHICH UPSTAGES SCANDAL AND CRITICISM AHEAD OF ACCURATE REPORTING. SANYA'S LACK OF A STRONG MAN IMAGE HAS ALSO HINDERED HIS PUBLIC RELATIONS. FOR THIS AND OTHER REASONS, THE PAST THREE MONTHS HAVE WITNESSED AN APPRECIABLE INCREASE IN EXPRESSED OPINION CRITICAL OF THE PROSPECTS FOR AN EFFECTIVE GOVERNMENT BASED ON POPULAR SUFFRAGE. THIS CRITICISM ALSO BRINGS INTO QUESTION THE SANYA GOVERNMENT'S PROSPECTS FOR SURVIVAL IN THE SADDLE FOR ANOTHER SIX TO TEN MONTHS, BUT WE BELIEVE, ON BALANCE, THAT SANYA WILL PERSIST UNTIL HE CEDES HIS PLACE TO AN ELECTED SUCCESSOR.

8. THE FALL FROM PUBLIC FAVOR OF STUDENT ACTIVISM AND THE DIMINISHED POLITICAL IMPORTANCE OF THE STUDENT-PROFESSOR ALLIANCE HAVE BEEN MAJOR TRENDS DURING THE QUARTER. THE STUDENTS OVERPLAYED THEIR ROLE AS SELF-APPOINTED AGENTS OF CHANGE, AND THEIR INTEMPERATE CRITICISM OF MILITARY OPERATIONS IN THE COUNTERINSURGENCY PROGRAM BACKFIRED. THE STUDENT MOVEMENT ALSO SUFFERS FROM DISILLUSIONMENT AND INTERNAL DIVISIONS. THE STUDENTS, THEIR PROFESSORS, INTELLECTUALS, AND PROFESSIONAL POLITICIANS NOW HOPE THAT THE DEMOCRATIC IDEAL REMAINS SUFFICIENTLY APPEALING TO INDUCE THE MORE TRADITIONAL MEMBERS OF THE ELITE TO BE MORE TOLERANT OF GOVERNMENT PERFORMANCE DURING THE SHAKEDOWN STAGES OF PARTICIPATORY DEMOCRACY.

9. THERE WERE NO MAJOR DEVELOPMENTS IN THE INSURGENCY, NOR IN THE GOVERNMENT'S SUPPRESSION EFFORT, DURING THE QUARTER. NO NEW TRENDS EMERGED. RURAL SECURITY, PARTICULARLY IN BORDER PROVINCES, CONTINUED ITS SLOW DETERIORATION. THE GOVERNMENT TALKED ABOUT REORGANIZING THE COMMUNIST SUPPRESSION OPERATIONS COMMAND (CSOC), BUT HAS YET TO TAKE ANY CREATIVE STEPS IN THAT DIRECTION.

10. THE PRESENT PERCEIVED INSTABILITY RAISES THE KEY QUESTION WHETHER A MORE OPEN POLITICAL SYSTEM WILL BE ABLE TO DELIVER THE EFFECTIVE GOVERNMENT WHICH BOTH ELEMENTS OF THE PUBLIC AT LARGE, AND THE BUSINESS COMMUNITY AND THE MILITARY IN PARTICULAR, DEMAND. MUCH OF THE THAI ELITE, ESPECIALLY THE MILITARY, SEEM MORE CONCERNED WITH ACHIEVING A SYSTEM OF GOVERNMENT WHICH CAN PROTECT THEIR GROUP INTERESTS AND COPE WITH PRACTICAL PROBLEMS, THAN ONE MORE RESPONSIVE TO THE SOCIAL NEEDS OF THE MASSES. SHOULD THERE BE A MARKED INCREASE IN ECONOMIC HARDSHIP OR POLITICAL CONFRONTATION WITH THE STUDENTS, LABOR, OR ANY OTHER ORGANIZED PRESSURE GROUPS, POPULAR DEMAND FOR SOME KIND OF AUTHORITARIAN REGIME, DISGUISED OR OPEN, WOULD ALMOST

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CERTAINLY GROW. THE CHANCE SEEMS MORE PROBABLE NOW THAN THREE MONTHS AGO THAT THE MILITARY MIGHT REASSUME THE CENTRAL ROLE IN A MORE AUTHORITARIAN GOVERNMENT. IF THAT TIME COMES, WE PREDICT THAT THEY WILL DO SO ONLY AT THE KING'S DISCREET BEHEST, OR WITH HIS TACIT PERMISSION. BUT AT THE MOMENT WE DOUBT THAT AN AUTHORITARIAN GOVERNMENT AND PARLIAMENT HAVE TRIED TO MAKE A GO OF IT AND FAILED.

B. ASIAN AFFAIRS

11. DEFENSE MINISTER THAWI CHUNLASAP'S VISIT TO CHINA AND FOREIGN MINISTER CHARUNPHAN ITSARANGKUN NA AYUTTHAYA'S VISITS TO CEYLON AND BURMA WERE THE CHIEF THAI INVOLVEMENT IN ASIAN REGIONALISM DURING THE QUARTER. PERSONAL POLITICAL GAIN MAY HAVE DOMINATED THAWI'S MOTIVES FOR MAKING HIS TRIP, AND IT REMAINS LESS THAN CERTAIN JUST WHAT CHOU EN-LAI TOLD HIM REGARDING CHINESE SUPPORT FOR THE THAI INSURGENCY. THE CHINESE HAVE REAPED CONSIDERABLE FAVORABLE PUBLICITY FOR THE 50,000 TONS OF HIGH SPEED DIESEL FUEL, BARELY A WEEK'S SUPPLY, THAT THEY SOLD TO THAILAND AT CONCESSIONAL PRICES. SINCE THAWI'S RETURN, A SURPRISINGLY INDEPENDENT PARLIAMENT BLOCKED THE GOVERNMENT'S CAMPAIGN TO GET THE NLA TO REPEAL AN OLD ANTI-COMMUNIST LAW, REVOLUTIONARY PARTY ANNOUNCEMENT NO. 53, BANNING TRADE WITH THE PRC. THE NLA RELUCTANCE TO VOTE REPEAL WITHOUT FURTHER STUDY IN COMMITTEE UNDERSCORES THE IMPORTANCE OF THE RESIDUAL SUSPICION THAT 20 YEARS OF OFFICIAL ENMITY WITH THE PRC, AND CHINESE FOSTERING OF THE THAI INSURGNECY, HAVE PRODUCED. THE LATENT THAI HOSTILITY AGAINST THEIR THREE MILLION SINO-THAI BRETHREN MAY ALSO HAVE HELPED SLOW THE REPEAL.

12. THE RTG, IN A SURPRISE MOVE THAT SHOCKED THE LOCAL SOUTH KOREAN EMBASSY, WELCOMED A NORTH KOREAN TRADE DELEGATION TO BANGKOK APRIL 26. PROGRESS TOWARD NORMALIZING RELATIONS WITH NORTH KOREA, HOWEVER, IS LIKELY TO BE EVEN SLOWER THAN THAT WITH CHINA.

13. THE CEYLON VISIT WAS TO ATTEND THE MEETING OF THE ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST, AT WHICH DISCUSSIONS FOCUSED ON THE FOUR F'S--FUEL, FERTILIZER, FOOD, AND FINANCE. THE BURMA TRIP GAVE THE TWO GOVERNMENTS AN OPPORTUNITY TO EXPRESS OPENLY AND FRANKLY THEIR DIFFERENCES, BUT FAILED TO ACHIEVE AGREEMENT ON SPECIFIC STEPS TO BEGIN TO RESOLVE THEM. THE THAI WANTED TO IMPROVE THE BILATERAL ATMOSPHERE THROUGH STUDENT, ATHLETIC, AND TECHNICAL EXCHANGES, BUT THE BURMESE REMAINED ADAMANT THAT PROGRESS HAD TO BEGIN WITH THE THAI CEASING ALL SUPPORT FOR THE BURMESE INSURGENT GROUPS

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USING THAI TERRITORY. THE THAI, LACKING THE MUSCLE TO EVICT THE BUR-

MESE DISSIDENTS, MAINTAIN THAT THE DISSIDENTS ACT AS A BUFFER REINFORCING THAI SECURITY ALONG THE NORTHERN BORDER. THERE WERE APPARENTLY NO DISCUSSIONS IN RANGOON REGARDING BILATERAL COOPERATION ON NARCOTICS SUPPRESSION.

14. THE FORMATION OF THE COALITION GOVERNMENT IN LAOS GENERATED A SPATE OF SELF-RECRIMINATION OVER HOW SHABBILY THE THAI HAD TREATED THEIR "LITTLE BROTHERS." THIS SOUL SEARCHING ALSO REFLECTS A WORRY THAT THE LAO MIGHT TURN EAST TO NORTH VIETNAM FOR ALTERNATE ROUTES TO THE SEA AND OTHER ECONOMIC ASSOCIATIONS.

15. THAI CONCERN ABOUT THE PRECARIOUS SITUATION IN CAMBODIA DID LITTLE TO FACILITATE OUR SUPPORT OPERATIONS FROM THAILAND.

C. ISSUES IN THAI/US RELATIONS

16. THE VISITS IN EARLY FEBRUARY OF ASSISTANT SECRETARY INGERSOLL, IN EARLY MARCH OF DEPUTY SECRETARY RUSH, AND IN EARLY APRIL OF AGRICULTURE SECRETARY BUTZ MARKED A REFRESHING EVOLUTION TOWARD MORE EQUAL PARTNERSHIP BETWEEN THAILAND AND THE UNITED STATES. THE THAI APPEAL WAS FOR ECONOMIC COOPERATION: A BETTER CHANCE AT THE AMERICAN MARKET FOR THAI SUGAR AND TEXTILES; AND A MORE FAVORABLE BALANCE OF TRADE BETWEEN THE TWO COUNTRIES.

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17. THE LATE MARCH RTG ANNOUNCEMENT OF FURTHER US TROOP REDUCTIONS TO TAKE PLACE BEFORE THE END OF 1974 SERVED SEVERAL MUTUAL OBJECTIVES. IT GAVE THE THAI PUBLIC THE IMPRESSION OF RTG INITIATIVE IN REDUCING THE AMERICAN MILITARY PRESENCE. THE PHASING OUT OVER SEVERAL MONTHS,
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RATHER THAN THE WITHDRAWAL IN ONE LUMP, OF SOME 10,000 AUTHORIZED MILITARY SPACES, WILL GIVE THE AURA OF CONTINUING PROGRESS WHEN THE US MILITARY PRESENCE IS LIKELY TO BE A MAJOR ISSUE DURING THE ELECTION CAMPAIGN WHICH SHOULD GET UNDERWAY IN EARNEST ABOUT MID-SUMMER. THIS GRADUALISM WILL ALSO EASE ECONOMIC DISLOCATIONS AROUND THE BASE TOWNS. THE PRESENT RTG ALSO SUPPORTS THE VALUE OF MAINTAINING A CREDIBLE DETERRENT AGAINST NORTH VIETNAMESE MILITARY ADVENTURISM IN INDOCHINA.

18. THE DEFENSE DEPARTMENT REQUEST FOR CONGRESSIONAL APPROPRIATIONS TO CONSTRUCT A LIMITED NAVAL SUPPORT BASE AT DIEGO GARCIA CAUSED CONCERN THAT WE MIGHT USE THAI BASES FOR ADDITIONAL SUPPORT TO US OPERATIONS IN THE INDIAN OCEAN. THE THAI REMINDED US THAT THEY ACQUIESCE IN OUR MILITARY PRESENCE HERE ONLY FOR INDOCHINA OBJECTIVES.

19. OUR THREE MONTH OLD REQUEST TO ESTABLISH AN AID/CAMBODIA BRANCE OFFICE IN BANGKOK HAS ENCOUNTERED MFA SUSPICION AND OPPOSITION, AND AS APRIL ENDS WE STILL DO NOT HAVE FINAL APPROVAL. THIS SITUATION IS SYMPTOMATIC OF THE NEW CLIMATE IN WHICH THAI/US RELATIONS OPERATE.

D. POTENTIAL PROBLEMS AND OPPORTUNITIES

20. THE SHARP REACTION OVER THE RUMORED USE OF B-52'S FROM UTAPAO FOR OUR MILITARY OBJECTIVES IN THE INDIAN OCEAN HAS NOT YET BROUGHT TO PUBLIC LIGHT THAT WE ARE ALREADY USING UTAPAO AS A LIMITED LOGIS-

TICAL SUPPORT BASE FOR DIEGO GARCIA, AND THAT WE ARE CONDUCTING NAVAL AIR PATROLS FROM UTAPAO BY P3B'S OVER THE INDIAN OCEAN. IF THE THAI PRESS PUBLISHES THIS STORY, WE MAY HAVE TO CURTAIN OR ELIMINATE THESE ACTIVITIES.

21. THE RTG BALKING OVER THE ESTABLISHMENT OF THE CAMBODIA AID OFFICE ILLUSTRATES THAT WE ARE NO LONGER ABLE TO HAVE OUR WAY IN THAILAND WITH THE FORMER DESPATCH AND CARTE BLANCHE. THE THAI HAVE SEVERAL PREVIOUS EXAMPLES OF OUR CAMEL'S NOSE APPROACH: THE OPENING OF A MODEST PX VERSUS TODAY'S VIRTUAL DEPARTMENT STORE, AND THE INTRODUCTION OF A LARGE NUMBER OF INVITED CONTRACTORS TO PROVIDE GOODS AND SERVICES TO OUR MILITARY FORCES. MORE IMPORTANTLY, WHILE THE RTG SHARES OUR DESIRE TO INSURE GKR SURVIVAL, IT WISHES TO AVOID ANY PUBLIC KNOWLEDGE OF WHAT COULD APPEAR, PARTICULARLY TO ITS ASEAN COLLEAGUES, TO BE AN RTG/USG CABAL TO SHORE UP LON NOL. THE RTG PREFERS TO AVOID IMPINGEMENT ON ITS DIPLOMATIC FREEDOM OF ACTION IN SECRET

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POST-WAR INDOCHINA.

2. THE RTG SHIFT IN EMPHASIS TO ECONOMIC PARTNERSHIP IN OUR BILATERAL RELATIONS UNDERLINES THE IMPORTANCE OF ECONOMIC FACTORS ON THE THAI PUBLIC PSYCHOLOGY. THE THAI WILL INCREASINGLY JUDGE THE VALUE OF THEIR RELATIONSHIP WITHUS BY OUR RESPONSIVENESS IN THIS AREA.

23. GIVEN THE CONTINUING DROP IN ECONOMIC, LET ALONE MILITARY, AID, WE WILL HAVE TO PLACE INCREASING RELIANCE ON OUR CONSIDERABLE INTELLECTUAL CREDIT AND COMMUNITY OF ACADEMIC INTEREST. THE UNITED STATES HAS LONG BEEN THE FAVORITE SPOT ABROAD FOR THE THAI TO PURSUE HIGHER EDUCATION. THERE IS A WIDE SPECTRUM OF THE THAI LEADERSHIP THAT HAS ATTENDED AMERICAN UNIVERSITIES, AND BOTH CIVIL AND MILITARY POST-GRADUATE INSTITUTIONS. WE THUS HOPE TO EXTEND OUR INTELLECTUAL RAPPORT AS OUR CASH AND COMMODITY BALANCE DECLINES.

24. WHILE THE THAI CONTINUE THEIR NARCOTICS SUPPRESSION EFFORTS, AND HAVE MADE SEVERAL SIGNIFICANT SEIZURES, SERIOUS DIFFICULTIES ARE CROPPING UP WICH WILL COMPLICATE OUR LONG TERM EFFORTS. TRAFFICKERS ARE ADOPTING NEW DIFFUSED PATTERNS OF SMUGGLING WHICH STRETCH THIN AVAILABLE SUPPRESSION RESOURCES. MOREOVER, SIGNIFICANT RECENT PRICE INCREASES FOR RAW OPIUM IN THE GROWING AREAS HAVE BEGUN TO MAKE HILL-TRIBE PEOPLE LESS RECEPTIVE TO THE FLEDGLING CROP SUBSTITUTION WORK OF THE KING'S HILLTRIBE DEVELOPMENT PROGRAM AND THE UN'S FUND FOR DRUG ABUSE CONTROL (UNFDAC). THE SAME PRICE INCREASES HAVE REPORTEDLY ENCOURAGED SOME LOWLAND THAI TO BEGIN TO GROW OPIUM. WE PREDICT DIFFICULT TIMES AHEAD FOR THE ANTI-NARCOTICS PROGRAM.

E. SUMMATION AND FORECAST

25. THAILAND, IN ABSOLUTE TERMS, IS DOING BETTER THAN WE EXPECTED IN PROGRESSING TOWARDS A DEMOCRATIC CSYSTEM AND IN HANDLING ITS ECONOMIC

PROBLEMS. THAT THESE ACHIEVEMENTS WOULD FALL SHORT OF THE NATION'S EXUBERANT POST-OCTOBER OPTIMISM WAS A FOREGONE CONCLUSION. THOUGH THE GAP BETWEEN PUBLIC EXPECTATIONS AND GOVERNMENT PERFORMANCE WILL CONTINUE, WE DO NOT SEE IT WIDENING TO THE DANGER POINT AT WHICH A MILITARY COUP AGAINST SANYA'S GOVERNMENT WOULD BECOME A DISTINCT PROBABILITY.

26. SANYA AND SEVERAL MEMBERS OF HIS CABINET ORIGINALLY BELIEVED THEY WERE IN FOR ONLY A NINE MONTH STINT AT RUNNING THE COUNTRY. THE ROLE
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OF PRIME MINISTER CONTINUES TO DEMAND THAT SANYA BEHAVE IN WAYS CONTRARY TO HIS CONTEMPLATIVE NATURE. THE LONGER HE MUST STAY ON, THE MORE HE IS LIKELY TO WEARY OF THE JOB. DESPITE THIS LACK OF ZEST, HE WILL PROBABLY SEE IT THROUGH TO THE ELECTIONS, BUT HIS CABINET MAY AT SOME POINT UNDERGO A RESHUFFLE.

27. IN OUR BILATERAL RELATIONS, WE ARE MAKING HEADWAY IN REDUCING THE CONTROVERSY SURROUNDING OUR MILITARY PRESENCE AND IN ADDRESSING THE ECONOMIC ISSUES THE RTG NOW EMPHASIZES. WE REMAIN VULNERABLE TO PUBLIC ATTACK BECAUSE OUR PRESENCE, CONSPICUOUS BY THE COMPARATIVE LUXURY OF ITS FACILITIES, LOOMS ENORMOUS IN THIS PREDOMINANTLY AGRICULTURAL SOCIETY.

F. IMPLICATIONS FOR U.S. POLICY AND OPERATIONS

28. WE NEED TO CAPITALIZED ON THE FAVORABLE REACTION OUR TROOP WITHDRAWAL ANNOUNCEMENT HAS GENERATED BY HONORING TO THE LETTER OUR COMMITMENT TO CONSULT WITH THE RTG ON IMPLEMENTATION OF THE INITIAL REDUCTIONS. WE WOULD WELCOME AUTHORITY TO DISCUSS WITH THE RTG PLANS FOR THE NEXT DRAWDOWN, AS WELL AS FOR OTHER ASPECTS OF OUR LONGER-RANGE MILITARY AND INTELLIGENCE PRESENCE.

29. IF CONTRARY TO OUR ESTIMATES A COUP SHOULD OCCUR, THOSE ELEMENTS WHO WOULD RESE A THE SHATTERING OF THEIR DREAMS FOR A DOMOCRATIC

FUTURE WOULD ALMOST CERTAINLY LAY A MAJOR PORTION OF THE BLAME ON US. THEY WOULD BELIEVE WE HAD ENGINEERED THE COUP TO RECREATE OUR FREE-WHEELING DAYS OF YORE. WHILE THOSE ACCEDING TO POWER WOULD MOST LIKELY BE DISPOSED TO CLOSE COOPERATION WITH THE U.S., PUBLIC FEELING --PARTICULARLY AMONG STUDENTS, PROFESSORS, AND URBAN INTELLECTUALS-- WOULD TEND TO SEVERE ANTI-AMERICANISM. IT THEREFORE REMAINS IN OUR INTEREST TO FREQUENTLY REITERATE OUR SUPPORT FOR THAILAND'S EVOLUTION TOWARD PARTICIPATORY DEMOCRACY, AND TO DO WHAT WE CAN TO ENSURE THAT ECONOMIC PROBLEMS DO NOT DERAIL THAILAND FROM THAT PATH.

30. WASHINGTON HAS INTENSIFIED THE DILEMMA OF OUR POSITION HERE. THE MANDATE IS

Message Attributes

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Draft Date: 01 MAY 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
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Film Number: D740104-0388
From: BANGKOK
Handling Restrictions: n/a
Image Path:
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Review Action: RELEASED, APPROVED
Review Authority: garlanwa
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TAGS: PFOR, PINT, TH, KN
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Type: TE
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